

EXHIBIT 11

Page 1

1 UNITED STATES DISTRICT COURT
2 FOR THE SOUTHERN DISTRICT OF NEW YORK
3

4 NIKE, INC.,

5 Plaintiff,

6 v.

No. 1:22-CV-00983-VEC

7 STOCKX LLC,

8 Defendant.
9

10 VIDEOTAPED DEPOSITION OF RON FARIS

11 Taken in behalf of the Defendant

12 December 7, 2022
13

14 *** HIGHLY CONFIDENTIAL ***
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1 BE IT REMEMBERED THAT pursuant to Federal
2 Rules of Civil Procedure, the deposition of RON
3 FARIS was taken before Julie A. Walter, CSR No.
4 90-0173 on December 7, 2022, commencing at the hour
5 of 9:16 a.m., the proceedings being reported in the
6 law offices of Stoel Rives, 760 SW Ninth Avenue,
7 Suite 3000, Portland, Oregon.

8 * * *

9 APPEARANCES

10 DLA PIPER

11 Ms. Tamar Duvdevani

12 Mr. Marc Miller

13 1251 Avenue of the Americas

14 New York, New York 10020

15 Counsel for the Plaintiff

16
17 DEBEVOISE & PLIMPTON LLP

18 Ms. Megan Bannigan

19 Ms. Kate Saba

20 919 Third Avenue

21 New York, New York 10022

22 Mr. Christopher Ford

23 650 California Street

24 San Francisco, California 94108
25

1 target and actual customers for Nike's NFTs and
2 Digital Sneakers bearing the Asserted Marks." Is
3 that correct?

4 A. Correct.

5 Q. Are you prepared to testify on that topic today?

6 A. Yes, I am.

7 Q. Did you do anything other than speak to counsel
8 yesterday to prepare to testify on behalf of Nike
9 on that topic?

10 A. No, I did not.

11 Q. Okay. The next one, I believe, is Topic 10.

12 "Nike's plans to enter the custodial or 'vaulted'
13 market for physical sneakers, including but not
14 limited to vaulted physical sneakers associated
15 with NFTs." Am I right that you've -- you are
16 prepared -- you are here to testify on behalf of
17 Nike on that topic today?

18 A. Correct.

19 Q. Did you do anything other than meet with counsel
20 yesterday to prepare for that topic?

21 A. No.

22 Q. Topic 11, "How, if at all, Nike has participated
23 and/or currently participates in the secondary
24 market for physical sneakers." Are you prepared to
25 talk about that topic and testify on behalf of Nike

1 today?

2 A. Yes.

3 Q. And did you do anything other than meet with
4 counsel to prepare to testify on behalf of Nike for
5 that topic?

6 A. No, I did not.

7 Q. And to clarify, meet with counsel yesterday, as
8 we've been saying.

9 A. Yes.

10 Q. Okay. Topic 12, "Any" analysis -- "analyses Nike
11 has performed, received, or reviewed of the impact
12 of the secondary market for sneakers on Nike's
13 current business, including but not limited to (i)
14 analyses on secondary-market pricing and sales
15 performance of Allegedly Counterfeited Products and
16 (ii) whether Nike has benefitted from the sale of
17 the Allegedly Counterfeited Products in the
18 secondary market." Are you prepared to testify on
19 behalf of Nike as to that topic today?

20 A. Yes, I am.

21 Q. And did you do anything other than meet with
22 counsel yesterday to prepare to testify on behalf
23 of Nike on that topic?

24 A. No, I did not.

25 Q. 13, "Nike's plans to enter the secondary market for

1 your personal knowledge. You understand that your
2 individual deposition is what you have personal
3 knowledge of. Correct?

4 A. Correct.

5 Q. Okay. And these eleven 30(b)(6) topics. We'll see
6 how efficient we can be to see if we can get done
7 by 6 o'clock.

8 A. Great.

9 Q. Okay. Did you look at documents in preparing for
10 your deposition yesterday?

11 A. Yes.

12 Q. And did you take any notes when you were preparing
13 for your deposition yesterday?

14 A. No, I did not.

15 Q. What's your current role at Nike?

16 A. I'm the GM of -- VP and GM of Nike Virtual Studios.

17 Q. So the vice president and general manager of Nike
18 Virtual Studios?

19 A. That's corrected.

20 Q. And what is Nike Virtual Studios?

21 A. It's a new division created for the company to
22 focus on efforts in the Web3 metaverse and
23 blockchain space.

24 Q. When you say "Web3 metaverse," what exactly are you
25 referring to? I've heard a lot of different

1 A. I have no idea if that's the correct data point. I
2 know it was just written on a slide. I'm not sure
3 if it's accurate.

4 Q. Okay. Do you have any understanding of what role
5 Nike sneakers play in the secondary market?

6 MS. DUVDEVANI: Objection.

7 THE WITNESS: When you say "what role," what do
8 you mean by that?

9 Q. BY MS. BANNIGAN: How popular they are in the
10 secondary market.

11 A. I do believe that Nike product is popular on the
12 secondary market.

13 Q. Do you believe it's the most popular brand of
14 sneakers on the secondary market?

15 A. I don't know that for sure, but it wouldn't
16 surprise me if it was the most popular brand in the
17 secondary market.

18 Q. And do you have any understanding of why it's such
19 a popular brand on the secondary market?

20 A. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

1

A.

[REDACTED]

15

MS. DUVDEVANI: Objection.

16

Q. BY MS. BANNIGAN: I'm trying to understand what
your testimony is.

17

18

MS. DUVDEVANI: Objection.

19

THE WITNESS: [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

22

Q. BY MS. BANNIGAN: [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1

A.

█

█

4

Q. What are the other ones?

5

A.

█

█

8

Q. When you were head of the SNKRS app, did you ever

9

discuss

█

11

A. When I was heading the SNKRS app,

█

█

█

15

Q. And did you have any insight or understanding as to

16

why those decisions were made?

17

A. No.

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█

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Q. Got it. Did you have any involvement other than being somebody who was interviewed to give information?

A. I -- we gave -- as the team at Valiant Labs, I think it was Brittany in conjunction with the folks at Valiant Labs. I'm pretty sure. We gave one of our product managers from our team on a stretch assignment to go and work with that team to figure out what would be opportunities that we would look at to explore opportunities.

Q. [REDACTED]

[REDACTED]

[REDACTED]

MS. DUVDEVANI: Objection.

[illegible]

1 Q. And when I say "plans," are we talking concrete
2 plans or are there potential plans to build it in
3 the future?

4 A. [REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

22 A. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1 [REDACTED]
2 Q. Okay. Do you know who the target consumers for
3 these -- each of these products are?

4 A. Yes.

5 Q. Who are they?

6 A. The target -- our target market for these, when
7 they're -- typically most of those shoes, if not
8 all of them, are sold in SNKRS, and so they're --

9 [REDACTED]
[REDACTED]
[REDACTED]

12 Q. For each of them?

13 A. Yes.

14 Q. And so who are at actual consumers for these
15 products?

16 A. Well, oftentimes that -- those shoes will sell out
17 quickest, so they are very much -- our consumers
18 will be like -- the general mass, those -- [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

1 probably more significant.

2 Q. BY MS. BANNIGAN: And when you say your competitor
3 in the primary market, [REDACTED]

4 [REDACTED] [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED] [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 Q. Has it ever?

19 A. To my knowledge, no.

20 (Exhibit 21 marked)

21 MS. BANNIGAN: Exhibit 21 was just handed to
22 the witness. It's a document, an email with the
23 Bates stamp NIKE0029559. At the top, it's an email
24 chain to Daniel Heaf from Ron Faris on
25 October 25th, 2021.